Health Network Northern Territory Ltd

ABN 17 158 970 480

30 June 2025

Annual Financial Report

Contact Details

www.ntphn.org.au

23 Albatross Street
Winnellie
NT 0820

GPO Box 2562
Darwin
NT 0801

t 08 8982 1000
f 08 8981 5899

National Remote Health Precinct
5 Skinner Street
Alice Springs
NT 0870

PO Box 1195
Alice Springs
NT 0871

t 08 8950 4800
f 08 8952 3536

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Annual Financial Report for the Year Ended 30 June 2025

Corporate Information 4
Directors' Report 5
1. Directors....5
2. Chief Executive Officer (CEO), Company Secretary and Public Officer 10
3. Directors' Meetings 10
4. Planning and Activities....11
5. Environmental Issues....13
6. Indemnification of Officer or Directors....13
7. Proceedings on Behalf of Company 13
8. Members' Guarantee 13
9. Events Subsequent to Reporting Date....14
10. Auditor's Independence Declaration 14
Statement of Comprehensive Income 15
Statement of Financial Position....16
Statement of Changes in Equity....17
Statement of Cash Flows 18
1. Corporate Information 19
2. Basis of Preparation....19
3. Material Accounting Policies 21
4. Grant Income 30
5. Employee Expenses 30
6. Cash and Cash Equivalents....31
7. Trade and Other Receivables 31
8. Other Current Assets 32
9. Property, Plant & Equipment....32
10. Trade and Other Payables....33
11. Employee Benefits 33
12. Unearned Grants 34
13. Lease Liabilities 34
14. Provision for Make Good 35
15. Related Party Transactions....36
16. Reconciliation of Cash Flows from Operating Activities....39
17. Financial Instruments....40
18. Members' Guarantee 41
19. Auditor's Remuneration 41
20. Events Subsequent to Reporting Date....42
21. Contingent Liabilities and Contingent Assets....42
Directors' Declaration....43
Auditor's Declaration of Independence 44
Auditor's Report....45

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Corporate Information

Directors

The following Directors were in office during the financial year ended 30 June 2025

- Mr John Rawnsley – Board Chair (retired 25 November 2024)
- Mr David Blair – Board Chair (from 25 November 2024) (previous Deputy Chair)
- Ms Susan Korner- Deputy Chair (from 25 November 2024)
- Ms Heather D'Antoine
- Dr Samuel Goodwin (retired on 25 November 2024)
- Ms Liza Houghton (first term ended on 25 November 2024)
- Ms Helen Bowden
- Ms Kylie Stothers (appointed on 25 November 2024)
- Ms Leeanne Caton (appointed on 25 November 2024)
- Prof Sean Taylor (appointed on 25 November 2024)
- Dr Simone Raye (appointed on 25 November 2024)

Mr John Rawnsley and Dr Samuel Goodwin retired as Directors upon conclusion of the Company's annual general meeting held on 25 November 2024 after having served the maximum term of appointment under NT PHN's Constitution. Ms. Liza Houghton's term as Director concluded at the AGM held on 25th November 2024. No Director resigned during the financial year. For further details regarding the qualifications, experience, and other pertinent information of the Directors who held office at any point during the financial year, please refer to pages 5 to 14.

Registered Office
23 Albatross Street, Winnellie Northern Territory 0820

Principal Place of Business
23 Albatross Street, Winnellie Northern Territory 0820

Bankers
National Australia Bank
71 Smith Street, Darwin Northern Territory 0800

Auditors
PKF Merit
Chartered Accountants
Level 2, 9-11 Cavanagh Street, Darwin Northern Territory 0800

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Directors' Report

The Directors are presenting the financial report of Health Network Northern Territory Ltd ("the Company" or "Health Network NT"), also known as Northern Territory PHN, including the Rural Workforce Agency NT, for the year ending June 30, 2025. The auditor's report is included as well.

1. Directors

Below is the information on the Company's Directors who have served at any point during or after the financial year, including their qualifications, experience, and special responsibilities. The Northern Territory PHN Committee and Council memberships are as at year end.

Mr John Rawnsley
John Rawnsley holds an LLB, BAIS, GDLP and is a graduate of the Australian Institute of Company Directors. He was appointed to the Board on 10 November 2015 and later became the Chair on November 29, 2021. He served as a Senior Policy Advisor to NT Minister Selena Uibo and as the Law and Justice Manager at the North Australian Aboriginal Justice Agency and held various legal roles, including leadership development. In addition to his role as Chair, John is also a director of the Larrakia Development Corporation, Winkiku Rrumbangi NT Indigenous Lawyers Aboriginal Corporation, and Rockpools and Ochre Aboriginal Corporation. He chairs the Smith Family's Aboriginal and Torres Strait Islander Advisory Group, where he has been a member since 2011. Furthermore, John is a member of the Advisory Board of the Poche Centre with Flinders University and serves as the Co-Chair of Poche Centre with Flinders University. He was also a member of the Finance, Audit & Risk Management Committee and the Nominations Committee of the Northern Territory PHN. He retired from the Board on 25 November 2024 after having served the maximum term of appointment under NT PHN's Constitution.
Mr David Blair
David Blair is a highly qualified and experienced professional with a BSc Joint Honours in Science and certifications in Risk Management and Assurance, Internal Control, and Governance and Risk Management. He is a Fellow of several prestigious institutes, including the Institute of Chartered Accountants in England and Wales, the Governance Institute of Australia, and the Chartered Institute of Company Secretaries. Additionally, he is a graduate of the Australian Institute of Company Directors (AICD). Since 29 November 2021, David has been appointed to the Board as the Deputy Chair and as Chair from 25 November 2024. With a remarkable track record in finance, risk management, governance, and business, he currently serves as the Head of Corporate Services at Danila-Dilba Heath Services in Darwin. Prior to this, David held several executive positions, including Chief Operating Officer at Menzies School of Health Research and Chief Financial Officer of Kolsen Group. He also served as Chief Operating Officer of New Chapters New Beginnings. Furthermore, David is an experienced Director, having previously sat on the Boards of Lifeline Top End, Melaleuca Refuge Centre, and the Northern

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Centre for Contemporary Art. In addition, he served as a public member of the AHPRA Physiotherapist Board in NT.

Currently, he serves as an independent member of Finance, Audit & Risk Management Committee at Tiwi Island Regional Council and Consumer Health Forum. He is also a Board member of St John Ambulance Australia (NT) and Independent Director at Julalikari Council Aboriginal Corporation.

He was also a member of the Finance, Audit & Risk Management Committee and the Governance Committee of the Northern Territory PHN.

Ms Heather D'Antoine

Heather D'Antoine, who has a Diploma in Midwifery, a Diploma in Nursing, a Bachelor of Applied Science, and a Master of Health Economics (Aboriginal Health), was appointed to the Board on 28 August 2017. With over 25 years of experience, she started as a registered midwife and nurse, then became a manager for health services in both Aboriginal and general health services. For the past 18 years, she has dedicated herself to health research. For ten years, Heather served as the Associate Director for Aboriginal Programs and Division Leader of Education and Capacity Building at Menzies School of Health Research, where she was a member of the Executive Committee. She continues to be a Distinguished Honorary Fellow at Menzies School of Health Research.

Heather's research is focused on maternal and child health, with a particular interest in fetal alcohol spectrum disorders (FASD) and other birth defects. She helped develop and assess resources for health professionals and developed a FASD care model in Western Australia. She is also a member of the Public Health Association of Australia and the Independent Review Panel for Dan Murphy's.

Currently, Heather serves as the Manager, National Aboriginal and Torres Strait Islander Research Network at University of Queensland. She is a member of Aboriginal Advisory Group at Flinders University and Chair of Central Australian Academic Health Science Network.

Heather is a member of the Community Advisory Council, and Rural Workforce Agency NT Committee for the Northern Territory PHN.

Dr Samuel Goodwin

Dr Samuel Goodwin is a highly qualified medical professional with an MBBS degree, a JCCA (Anaesthetics) certification, and a fellowship from the Australian College of Rural and Remote Medicine. He has also graduated from the Australian Institute of Company Directors and holds an MPHTM degree.

Since 14 August 2015, Dr Goodwin has served as a board member. He served as the Executive Director of Medical and Clinical Services at Alice Springs Hospital, Central Australia Health Service. Dr Goodwin has been dedicated to rural generalism for the past ten years, primarily working in remote areas. He continued to work as a general practitioner at Central Clinic in Alice Springs while specializing in health system governance.

Dr Goodwin is an active member of the Northern Territory Postgraduate Medical Council, the Medical Board of Australia, and the CDU Menzies School of Medicine Board.

He was also a member of the Finance, Audit & Risk Management Committee and the Chair of the Rural Workforce Agency NT Committee of the Northern Territory PHN Committee.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Annual Financial Report for the Year Ended 30 June 2025

He retired from the Board on 25 November 2024 after having served the maximum term of appointment under NT PHN's Constitution.

Ms Liza Houghton

Liza is a highly qualified individual with numerous certifications and degrees, including GAICD, Fellow Australasian College Health Service Management, MBA, Graduate Diploma Nurse Education, Graduate Certificate Critical Care, and Bachelor Applied Science (Nursing).

Liza has undertaken key roles in reviewing or establishing governance frameworks, structures and policies including in primary health care and Aboriginal Health Services in the Northern Territory as an independent management consultant.

She has a background as a Registered Nurse with extensive experience working with multidisciplinary and allied health teams across the health sector. Professional skills and experience include strategy and policy development; financial and risk management; not-for-profit corporate and clinical governance; Primary Health Care; and Aboriginal Community Controlled Health services.

Moreover, Liza has previously held several Board Directorships, including Chair of Variety, the Children's Charity Northern Territory, Non-executive Director of Variety Australia, and Triathlon Northern Territory. Additionally, she facilitates NT study groups and examines the Fellowship program for the Australasian College Health Service Management, as well as mentors in the NT Health Leadership Program. Liza is also an Independent Director at Red Lilt Health Board and Non-Executive Director at Amaroo Care Services Inc.

Furthermore, Liza was a member of various Northern Territory PHN Committees and Councils, including the RWA NT Committee, Governance Committee, and Clinical Council.

Ms. Liza Houghton's term as Director concluded at the AGM held on 25th November 2024.

Ms Susan Korner

Susan (Sue) holds a Post Grad Diploma in Public Sector Executive Management and is a Member Australian Institute Company Directors.

Susan was appointed as the Deputy Chair from 25 November 2024 after having joined the Board on 27 November 2023.

With more than 30 years of senior and executive management experience across primary, public, and tertiary healthcare in the Northern Territory, covering both government and non-government sectors, Sue has made substantial contributions to the healthcare landscape.

Most recently, she served as the Chief Operating Officer of Central Australia Health Service for 6 years, after being appointed to the CAHS board. In addition, Sue has garnered over 20 years of experience in the private sector by co-owning and operating a touring company with her husband. She also serves as the Governor of the Bill Raby Foundation, Director of Healthy Living NT and community member of NT Judicial Commission.

She is also the Chair of the Finance, Audit & Risk Management Committee and a member of the Governance Committee of the Northern Territory PHN.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Annual Financial Report for the Year Ended 30 June 2025

Ms Helen Bowden

Helen is a pharmacist having completed Bachelor Pharmacy (BPharm) and Masters Public Health (MPH).

Helen brings a wealth of experience to the NT PHN board as a pharmacist with a varied experience in primary healthcare across the Northern Territory. Her diverse background encompasses roles in community pharmacy management, workforce development initiatives, quality improvement programs, remote primary health care delivery, and as an educator and implementation of medication management programs across a range of settings including aged care.

With an eye for detail and an interest in collaboration, Helen has made significant contributions to pharmaceutical services, including her involvement in the implementation of pharmacist vaccination services across the Northern Territory.

Living and working in a remote community, Helen continues to build upon her extensive knowledge of primary health care provision and maintain her tireless dedication to improving healthcare outcomes.

Helen is a member of the Clinical Council, and Rural Workforce Agency NT Committee for the Northern Territory PHN.

Ms Kylie Stothers

Kylie holds a Bachelor of Social Work, Graduate Diploma in Indigenous Health Promotion, Graduate Certificate in Remote Health Practice.

Appointed to the Board on 25 November 2024, Kylie is a proud Jawoyn woman from Katherine and is the Deputy CEO at Indigenous Allied Health Australia (IAHA) with over 25 years of experience in social work across the Northern Territory. As a founder and director of IAHA, Kylie has led initiatives to enhance Aboriginal participation in the health sector and championed cultural safety through training and workforce development programs.

Kylie also holds numerous adjunct academic appointments, namely as Adjunct Associate Professor with both Flinders University, Northern Territory and Charles Darwin University (CDU). She is currently one of the main facilitators of IAHA's Cultural Safety training program, providing training to various individuals and organisations across Australia.

Her contributions have earned her accolades, including the NT Supervision Award and the National Rural Health Alliance's Unsung Hero Award.

Kylie is the Chair of the Rural Workforce Agency NT Committee for the Northern Territory PHN.

Ms Leeanne Caton

Leeanne holds a degree in Public Sector Management and is a graduate of AICD.

Appointed to the Board on 25 November 2024, Leeanne is a proud Kalkadoon/Waanyi woman from Queensland, raised and educated on Larrakia Country. With about 40 years in Aboriginal affairs, Leeanne has dedicated her career to addressing key social determinants and has worked extensively across Darwin, Alice Springs, and Perth. Beginning her career in the 1980s through the Commonwealth Government's Aboriginal Recruitment Program, she rose from Aboriginal Trainee to Executive Director of Aboriginal Affairs in the NT Government, serving at all levels of the Commonwealth, WA, and NT Governments. Leeanne has also been ministerially appointed to

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

national and high-level boards and has over a decade of experience in CEO roles within the Aboriginal Community-Controlled Organization (ACCO) sector.

Currently, she serves as the CEO of Aboriginal Housing NT. She is also a Director of the National Aboriginal & Torres Strait Islander Housing Association and the Aboriginal Peak Organisations Northern Territory. Furthermore, she is the Chair of the Darwin Aboriginal Woman Shelter and a member of the NT Executive Council on Aboriginal Affairs.

She is also a member of the Finance, Audit & Risk Management Committee and the Governance Committee of the Northern Territory PHN.

Prof Sean Taylor

Sean is a Non-Profit Board Governance Doctor of Public Health and holds Bachelor of Health Science (Honours), Graduate Certificate in Health and Certificate IV Aboriginal and Torres Strait Islander Health (Practice).

Appointed to the Board on 25 November 2024, Prof Taylor is a descendant of the Dauareb Tribe from Mer Island and an experienced healthcare professional with a strong background in public health, particularly in the Northern Territory. Sean has over 25 years of clinical experience in Aboriginal and Torres Strait Islander Health working at different levels across Australia in a range of academic, leadership, and research interests, as well as clinical practice.

Sean has held significant leadership positions that focus on delivering health services and addressing health disparities. Sean's current joint appointment at the University of Melbourne brings together two Aboriginal and Torres Strait Islander senior leadership roles within the Faculty of Medicine, Dentistry and Health Sciences.

His work has contributed to the development and implementation of health policies and programs aimed at improving outcomes for underserved populations.

Sean is a current member of the National Health Medical Research Council Principal Committee, Indigenous Caucus Committee and Consumer and Community Advisory Committee and founding director of Torres Health Indigenous Corporation. He is also a member of Top End Pride.

Sean a member of the Governance Committee of the Northern Territory PHN.

Dr Simone Raye

Dr Simone Raye is a highly qualified general practitioner with an MBBS degree and FRACGP.

Appointed to the Board on 25 November 2024, Dr Raye is a proud Bardi/Jabirr Jabirr woman, is a GP with over two decades of dedicated service to Indigenous and non-Indigenous health in the Northern Territory along with executive leadership, closing the gap and system improvement. With a focus on cultural safety and community engagement, she has led key initiatives in Aboriginal health policy and workforce development.

Dr Simone is an advocate for Aboriginal and Torres Strait Islander medical professionals, having previously served as Chair of the Indigenous GP Registrar Network (IGPRN). Simone was the President of the Australian Indigenous Doctors' Association (AIDA). Currently, Dr Raye serves as the Aboriginal and Torres Strait Islander Health and Culture Medical Educator and Deputy Regional Director for the training in the NT with RACGP and continues to work as a general

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

practitioner at Pandanus Medical Clinic in Darwin. She is also a Director of Cancer Australia Advisory Group.

She is also a member of the Finance, Audit & Risk Management Committee and the Rural Workforce Agency NT Committee of the Northern Territory PHN.

2. Chief Executive Officer (CEO), Company Secretary and Public Officer

The following officers were in office during the financial year ended 30 June 2025 and up to the date of this report:

Chief Executive Officer

Ms Gillian Yearsley (M.A., MAICD) (resigned 06 June 2025)
Mr Paul Connolly (BBM, GAICD) (appointed 12 May 2025)

Company Secretary

Ms Nutisha Todi (B.L.S, LLB, MGB, AGIA, ACG)

Public Officer / Chief Financial Officer

Ms Jessica Dooley (BCom, CA, GAICD)

3. Directors' Meetings

The number of Directors' meetings attended by each of the Directors of Health Network NT during the financial year are:

Director	Board Meetings	
	Number of meetings held/eligible to attend	Number of meetings attended
John Rawnsley (Chair) (retired 25 November 2024)	4	4
David Blair (Chair from 25 November 2024)	10	9
Heather D'Antoine	10	8
Dr Samuel Goodwin (retired 25 November 2024)	4	4
Ms Susan Korner (Deputy Chair from 25 November 2024)	10	9
Ms Liza Houghton (first term ended 25 November 2024)	4	4
Ms Helen Bowden	10	10
Ms Kylie Stothers (appointed 25 November 2024)	6	5

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Director	Board Meetings	
	Number of meetings held/eligible to attend	Number of meetings attended
Ms Leeanne Caton (appointed 25 November 2024)	6	3
Prof Sean Taylor (appointed 25 November 2024)	6	3
Dr Simone Raye (appointed 25 November 2024)	6	6

4. Planning and Activities

Principal Activities

Health Network Northern Territory Ltd, which is also known as Northern Territory PHN and the Rural Workforce Agency NT, is a not-for-profit company limited by guarantee and a registered charity under the *Australian Charities and Not-for-profit Commission Act 2012 (Cth)*. The independent skills-based Board, appointed by Health Network NT's Members at General Meetings, oversees the Company's operations.

Being part of the Primary Health Network ("PHN") established by Australian Government, the Company is expected to coordinate primary health care delivery and to address local health care needs and service gaps. Further, the Company's role and performance is influenced by government policies at the Australian, State, Territory, and Local Council levels. The Company is focus on national priority areas such as mental health, Aboriginal and Torres Strait Islander health, population health, digital health, health workforce, aged care, and alcohol and other drugs. Its goal is to improve the efficiency and effectiveness of medical services for patients, especially those at risk of poor health outcomes, and to enhance coordination of care to ensure patients receive timely and appropriate care.

As a PHN, the Company do not provide services directly to people, instead, it works directly with service providers through a comprehensive primary health care service model to coordinate care across the Northern Territory. The Company also includes the Rural Workforce Agency Northern Territory, which helps the Company attract, recruit, educate, and retain a professional medical workforce across the Northern Territory.

Short-Term Objectives

Health Network NT has established short-term objectives in its Strategic Plan for the years 2024-29 and is dedicated in achieving its vision and purpose by focusing on the following key strategic objectives:

a) Providing resources, training and support to enable primary care and mental health service providers to plan, support and deliver high-quality care.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

b) Identifying service gaps and consciously, commission culturally appropriate and safe services that meet our community's unique health needs through various activities, such as health promotion, prevention, early intervention, treatment and management of chronic conditions

c) Partnering with collaborators and the community to shape an integrated and coordinated approach to primary and mental health care delivery, promoting better health and wellbeing outcomes for Territorians.

d) Addressing health workforce shortages in the Northern Territory, listening to the needs of the health sector, growing our Aboriginal and Torres Strait Islander workforce, and responding through initiatives that support retention, access, recruitment and advocacy for future needs.

Long-Term Objectives

The long-term objectives of Health Network NT are set out in Clause 2, Objects of the Constitution. Among others, these includes:

e) Support the efficiency and effectiveness of medical and health services for patients, particularly those at risk of poor health outcomes.

f) Improve coordination of care so that patients receive the right care in the right place at the right time.

g) Improve health outcomes for Aboriginal people through comprehensive primary health services.

h) Support and strengthen Aboriginal community control of comprehensive Primary Health Care.

i) Support and strengthen the role of the general practice and allied health sectors in comprehensive Primary Health Care.

j) Engage with all health providers and the community to identify local health needs and regional service gaps.

k) Increase equitable health outcomes by commissioning and supporting Primary Health Care services and promoting Primary Health Care initiatives and programs.

l) Support clinicians and service providers to deliver best practice care.

m) Deliver and promote high quality education and inter-professional learning opportunities for Primary Health Care providers.

n) Support the attraction and retention of a sustainable qualified Primary Health Care workforce which providers culturally appropriate comprehensive Primary Health Care.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

o) Support the integration of the primary and secondary health care sectors to improve the patient journey.

Strategy

Strategies to achieve both short-term and long-term objectives are outlined in the NT PHN Strategic Plan 2024–29. These strategies are operationalised through annual work plans, program planning, and commissioning activities.

Performance Measurement

The Company CEO reports regularly to the Board on progress against the objectives outlined in the Strategic Plan 2024–29. This includes updates on the implementation of principal activities, achievement of strategic goals, and key performance indicators. Reporting also covers emerging risks and opportunities to ensure strategic alignment and effective governance.

5. Environmental Issues

Health Network NT operations are not regulated by any significant environmental regulation under a law of the Australian Commonwealth or of a State or Territory.

6. Indemnification of Officer or Directors

Health Network NT has paid an annual premium to insure the directors and officers against any liabilities that may arise while performing their duties. The details of the premium are confidential as per the policy.

7. Proceedings on Behalf of Company

No individual has requested permission from the court to file a lawsuit on behalf of the company or participate in any ongoing legal proceedings involving the company. Additionally, the Company did not participate in any such legal proceedings throughout the year.

8. Members' Guarantee

In accordance with Health Network NT's Constitution, each member is liable to contribute not more than $50 in the event that the company is wound up.

Health Providers Alliance Northern Territory (HPANT) resigned as a member of the NT PHN with effect from 26 May 2025.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

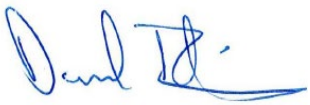
9. Events Subsequent to Reporting Date

There has not been any matter or circumstance occurring subsequent to the end of the reporting date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

10. Auditor's Independence Declaration

The Lead auditor's independence declaration is set out on page 44 and forms part of the Directors' report for the financial year ended 30 June 2025.

Signed in accordance with a resolution of the Board of Directors:



Mr David Blair

Director and Chair, Health Network Northern Territory Ltd

Dated at Darwin this 29th day of October 2025

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Annual Financial Report for the Year Ended 30 June 2025

The Statement of Comprehensive Income is to be read in conjunction with the attached notes.

Statement of Comprehensive Income

For the year ended 30 June 2025

	Note	**2025** **$**	2024 $
Revenue			
Grant income	4	**98,005,739**	92,826,957
Non-grant income	4	**144,814**	175,906
Interest income	4	**2,425,071**	1,968,498
Total Revenue		**100,575,624**	94,971,361
Operating Expenses			
Employee expenses	5	**13,031,052**	13,229,486
Governance expenses		**359,253**	325,426
Occupancy expenses		**236,125**	196,427
Depreciation	9	**431,909**	393,389
Interest expenses		**27,736**	23,720
Travel and accommodation		**476,798**	503,704
Administration expenses		**3,390,087**	3,229,626
Direct program expenses		**82,450,485**	76,915,491
Total Expenditure		**100,403,445**	94,817,269
Net Surplus for the year		**172,179**	154,092
Other comprehensive income		**-**	-
Total comprehensive Income for the year		**172,179**	154,902

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

The Statement of Financial Position is to be read in conjunction with the attached notes.

Statement of Financial Position

As at 30 June 2025

	Note	2025 $	2024 $
Assets			
Current			
Cash and cash equivalents	6	**44,908,132**	41,899,098
Trade and other receivables	7	**603,892**	573,549
Other current assets	8	**341,160**	2,249,790
Total current assets		**45,853,184**	44,722,437
Non-Current			
Property, plant and equipment	9	**528,649**	793,676
Total non-current assets		**528,649**	763,676
Total assets		**46,381,833**	45,516,113
Liabilities			
Current			
Trade and other payables	10	**6,450,503**	8,934,659
Employee benefits	11	**1,671,634**	1,351,820
Unearned grant income	12	**34,116,462**	27,440,771
Lease liabilities	13	**408,611**	389,984
Total current liabilities		**42,647,210**	38,117,234
Non-Current			
Employee benefits	11	**129,678**	184,748
Unearned grant income	12	**-**	3,550,185
Lease liabilities	13	**95,131**	503,742
Provision for make good	14	**177,431**	-
Total non-current liabilities		**402,240**	4,238,675
Total liabilities		**43,049,450**	42,355,909
Net assets		**3,332,383**	3,160,204
Equity			
Retained Earnings		**2,716,580**	2,544,401
Strategic Initiatives Reserves		**615,803**	615,803
Total equity attributable to members of the Company		**3,332,383**	3,160,204

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

The Statement of Changes in Equity is to be read in conjunction with the attached notes.

Statement of Changes in Equity

For the year ended 30 June 2025

	Strategic Initiatives Reserves $	Retained Earnings $	**Total** $
Balance at 1 July 2023	615,803	2,390,309	**3,006,112**
Net Surplus for the year	-	154,092	**154,092**
Other comprehensive income	-	-	**-**
Total comprehensive income for the year	-	154,092	**154,092**
Total transactions with members	-	-	**-**
Balance at 30 June 2024	615,803	2,544,401	**3,160,204**
Balance at 1 July 2024	615,803	2,554,401	**3,160,204**
Net Surplus for the year	-	172,179	**172,179**
Other comprehensive income	-	-	**-**
Total comprehensive income for the year	-	172,179	**172,179**
Total transactions with members	-	-	**-**
Balance at 30 June 2025	615,803	2,716,580	**3,332,383**

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

The Statement of Cash Flows is to be read in conjunction with the attached notes.

Statement of Cash Flows

For the year ended 30 June 2025

	Note	2025	2024
		$	$
Cash flows from operating activities			
Cash receipts from customers		**9,992,561**	3,866,891
Cash receipts from funding bodies		**110,635,680**	102,253,063
Interest received		**2,254,125**	2,270,198
Cash payments to employees		**(9,834,635)**	(10,368,715)
Cash payments to suppliers		**(109,590,807)**	(91,207,129)
Net cash from operating activities	16	**3,456,923**	6,814,308
Cash flows from investing activities			
Additions to property, plant and equipment		**-**	-
Net cash from/(used in) investing activities		**-**	-
Cash flows from financing activities			
Finance lease principal payments	13	**(447,889)**	(441,276)
Net cash used in financing activities		**(447,889)**	(441,276)
Net increase in cash and cash equivalents		**3,009,034**	6,373,032
Cash and cash equivalents at 1 July		**41,899,098**	35,526,066
Cash and cash equivalents at 30 June	6	**44,908,132**	41,899,098

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Notes to the Financial Statements

1. Corporate Information

Health Network Northern Territory Ltd ("Health Network NT" or "the Company") was established as a not-for-profit public company limited by guarantee under the *Corporations Act 2001 (Cth)* on 1 July 2012. Health Network NT has currently three Members: Health Providers Alliance Northern Territory Incorporated, the Northern Territory Department of Health and the Aboriginal Medical Services Alliance Northern Territory Aboriginal Corporation. Health Network NT, trading as Northern Territory PHN, is primarily involved in health service commissioning and health outcomes in the Northern Territory and is one of 31 Primary Health Networks established Australia-wide by the Australian Government Department of Health. The Health Network NT also includes the Northern Territory Rural Workforce Agency as an operational branch.

The Company is a not-for-profit entity and registered as a charity with the Australian Charities and Not-for-profits Commission from 3 December 2012.

Health Network NT's registered office is 23 Albatross Street, Winnellie, NT 0820.

2. Basis of Preparation

a) Statement of compliance

The financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards (including Australian Interpretations and Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB), the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the *Corporations Act 2001* (Cth).

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transaction or other events is reported. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated. The financial statements are for the financial year 1 July 2024 to 30 June 2025 and were authorised for issue by the Board of Directors on 29 October 2025.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise stated.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

c) Functional and presentation currency

The financial statements are presented in Australian dollars, which is Health Network NT's functional currency.

d) Critical Accounting and Estimates and Judgement

The preparation of financial statements in conformity with Australian Accounting Standards requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about critical judgments in applying accounting policies and in preparing this financial report that have the most significant effect on the amounts have been recognised in the financial statements as appropriate.

During 2024–25, Health Network NT recognised a provision for make good obligations associated with its leased premises at 23 Albatross Street, Winnellie. This obligation arises from lease terms requiring the premises to be restored to their original condition at lease expiry in September 2026. Although no formal decision has been made to vacate or relocate, the obligation is enforceable under the lease regardless of future intentions.

Previously, no provision was recognised due to uncertainty regarding the probability and measurement of the obligation. However, during the current year, management obtained a reliable cost estimate of $191,556 with a net present value of $177,431 as at 30 June 2025 and determined that the probability of outflow is sufficiently high to meet the recognition criteria under AASB 137.14. The change is treated as a revision of estimate under AASB 108.34–36, and has been recognised prospectively from 1 July 2024.

e) New Accounting Standards and Interpretations

Standards and interpretations effective from 2024-25 financial year

Several amendments and interpretations have been issued that apply to the current reporting period but are considered to have no or minimal impact on Health Network NT financial reporting.

Standards and interpretations issued but not yet effective

No Australian accounting standards have been adopted early for 2024-25.

Several amendment interpretations have been issued that apply to future reporting periods but are considered to have no or minimal impact on Health Network NT financial reporting.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

3. Material Accounting Policies

Revenue

The Company measures revenue by considering the amount specified in a contract and excludes amounts collected on behalf of third parties. Revenue is recognised when the Company fulfills obligations specified in the relevant contract. These obligations may be fulfilled either at a specific point in time or over a period.

a) Grant revenue

Revenue generated from grants is recognised upon fulfillment of associated performance obligations, rather than immediately upon receipt. Grants with enforceable agreements but no specific performance obligations, yet have restrictions on the timing of expenditure, are recognised at the time of receipt as the time restriction on the utilisation of funds is not specific enough to create a performance obligation. Grants that are not enforceable and/or specific enough do not qualify for deferral and are recognised as revenue as soon as they are controlled.

Grants that require the Company to provide services or facilities or meet eligibility criteria is recognised only to the extent that the required services have been provided or the eligibility criteria have been met. In cases where monies are received in advance of performance or eligibility, a liability is recognised. Any unexpended grants associated with performance obligations are recognised as a liability in the Statement of Financial Position.

b) Interest

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Financial Instruments

a) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component.

b) Subsequent measurement

Financial assets are subsequently measured at:

- amortised cost (cash in bank, trade and other & receivables and investments);

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

- fair value through Statement of Comprehensive Income; or
- fair value through Other Comprehensive Income.

Financial liabilities are subsequently measured at:

- amortised costs; or
- fair value through Statement of Comprehensive Income.

The Company does not have any financial assets and liabilities at fair value through Statement of Comprehensive Income or fair value through Other Comprehensive Income.

Cash in bank and trade receivables are classified as at amortised cost and are measured using effective interest method, net of any provision for impairment losses. Whereas Trade payables are subsequently measured at amortised costs using the effective interest rate method.

c) Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expires, or the asset is transferred to another party whereby the Company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in Statement of Comprehensive Income.

d) Impairment

The Company recognises an allowance for expected credit losses (ECLs) for trade and other receivables. ECLs are based on the difference between the contractual cash flows due following the contract and all the cash flows the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements integral to the contractual terms.

For trade and other receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Company considers a trade and other receivables in default when contractual payments are 30 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A trade and other receivables are written off when there is no reasonable expectation of recovering the contractual cash flows.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Property, plant and equipment

a) Recognition and measurement

Items of property, plant and equipment are initially measured at cost.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Property, plant, and equipment that has been contributed at no cost or for nominal cost is valued at the fair value of the asset at the date of its acquisition.

b) Asset Capitalisation policy

The Health Network NT collaborates with Health Service Providers throughout the Northern Territory and is granted funds by the Commonwealth Government to promote the well-being of Territorians. To ensure compliance with each grant funding contract, the Company meticulously scrutinises contracts to ascertain whether asset purchases are permissible, as asset ownership may be constrained under Commonwealth Funding guidelines. The Company strictly invests only in assets by the contract guidelines.

c) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

d) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted as cost, less its residual value.

Depreciation is recognised in Statement of Comprehensive Income on a straight-line basis over the estimated useful lives (EUL) of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Even if it is acquired by the Company, depreciation will still be done at the shorter of EUL and lease term.

Where an asset is acquired by direct Government grant funding and it has not been fully depreciated, at the end of the associated program, direction is sought from the Government to use the asset or sale proceeds to benefit a complementary or similar program.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Right of Use Assets

The Company has secured office space to carry out its business operations through lease agreements. The leases typically last for 4 to 5 years, with options to extend as needed. The terms of each lease are customised and can vary widely. There are no restrictions imposed in the lease agreements, and the company does not provide residual value guarantees for the leases.

For short-term and low-value leases, the company recognises payments as expenses on a straight-line basis instead of recording a right-of-use asset and lease liability. Short-term leases have a duration of 12 months or less and do not include a purchase option, while low-value assets have a new fair value of $10,000 or less and are typically photocopiers that are not part of a sublease arrangement.

a) Recognition and measurement

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

The Company recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site, if any.

Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are subsequently measured at fair value which approximates costs except for those arising from leases that have significantly below-market terms and conditions principally to enable the Company to further its objectives and are also subject to impairment.

The right-of-use assets are subject to remeasurement principles consistent with the lease liability, including indexation and market rent review that approximates fair value and only revalued where a trigger or event may indicate their carrying amount does not equal fair value.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

b) *Impairment of Non-financial assets*

The carrying amounts of Health Network NT's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For impairment testing, assets that cannot be tested individually are grouped into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Income.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Employee Benefits

a) Long-term employee benefits

Health Network NT's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods, plus related expected benefit is discounted to determine its present value.

b) Short-term benefits

Liabilities for employee benefits for wages, salaries, annual leave and long-service leave, represent present obligations resulting from employees' services provided up to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that Health Network NT expects to pay as at reporting date including related on-costs, such as workers' compensation insurance. Contributions are made by Health Network NT to an employee superannuation fund and are charged as expenses when incurred.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Reserves

Health Network NT maintains strategic initiative reserves that are funded by cash and investments. This reserve is used to record funds set aside for the sponsorship and business development program that will be undertaken by Health Network NT in the future.

Provisions

A provision is recognised if, as a result of a past event, Health Network NT has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Where a lease includes a requirement to restore the premises to its original condition at the end of the lease term, a make good provision is recognised in accordance with AASB 137 and AASB 16. The provision is measured at the present value of estimated future restoration costs and is recognised as part of the right-of-use asset at the commencement of the lease or when the obligation becomes reliably estimable. The provision is reviewed at each reporting date and adjusted to reflect current best estimates. The unwinding of the discount is recognised as a finance cost over the lease term.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Lease Liabilities

At the commencement date of the lease where the Company is the lessee, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments may include fixed payments (including in substance fixed payments) less any lease incentives receivable and payments of penalties for terminating the lease, if the lease term reflects the entity exercising the option to terminate.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Company's leases, the weighted average incremental borrowing rate is used as the incremental borrowing rate.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (such as changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Income Tax

No provision for income tax has been raised as Health Network NT is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997.*

Payroll Tax

No provision for payroll tax has been raised as Health Network NT is exempt from payroll tax under the *Payroll Tax Act* effective from 1 July 2012.

Fringe Benefits Tax

Health Network NT is a partially exempt employer for fringe benefits provided up to a specified amount per employee under Section 57A of the *Fringe Benefits Tax Assessment Act 1986*. No provision for fringe benefits tax has been raised as any tax incurred is required to be immediately paid by the employee for whom the fringe benefits tax debt is incurred.

Prohibition upon distribution of income, profits and assets

Upon winding up of Health Network NT and after paying of all liabilities, the surplus assets:

(i) Shall not be divided amongst Members; but

(ii) Shall, upon special resolution of the members, be paid or transferred to another incorporated or unincorporated organisation, having similar objects to Health Network NT. If the Members are unable to pass a resolution, then the surplus assets are to be paid or transferred on the direction of the Supreme Court of the Northern Territory, on application of Health Network NT or any Member.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Determination of fair values

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

Non-derivative financial liabilities

Fair value, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Financial risk management

Health Network NT has minimal exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about Health Network NT's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies and systems are set to identify and analyse the risks faced by Health Network NT, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Credit risk

Credit risk is the risk of financial loss to Health Network NT if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers.

Trade and other receivables

Health Network NT's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Majority of Health Network NT's revenue is attributable to Government Grants and hence credit risk is low and trade receivables are deemed to be recoverable. Health Network NT's other receivables relate mainly to non-governmental organisations which are also funded by both the State and Commonwealth Government and hence the credit risk is low and other trade receivables are deemed to be recoverable.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Liquidity risk

Liquidity risk is the risk that Health Network NT will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Directors' approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Health Network NT's reputation. Health Network NT Board are of the view that sufficient funds have been arranged, via member contributions, to meet its liabilities when due in the event of Health Network NT winding up its operations.

Market risk

Market risk is the risk that changes in market prices will affect Health Network NT's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Health Network NT does not enter into derivatives and has no exposures to currency risk and neither is anticipated. Management's policy is to review their investment strategy to balance interest returns and liquidity issues.

Comparatives

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

4. Grant Income

	2025	2024
	$	$
Current year grants		
Department of Health, Disability and Ageing	**86,075,876**	84,119,017
NT Department of Health	**6,062,267**	2,862,389
Other Grants	**5,867,596**	5,845,551
Total Grant Income	**98,005,739**	92,826,957
Non-grant income		
Insurance recoveries	**13,948**	-
Other program income	**105,758**	175,906
Other income	**25,108**	-
	144,814	175,906
Interest income on bank deposits	**2,425,071**	1,968,498
Total Income	**100,575,624**	94,971,361

5. Employee Expenses

	2025	2024
	$	$
Salaries and wages	**11,118,368**	11,602,300
Superannuation	**1,283,835**	1,228,267
Recruitment expenses	**118,143**	40,334
Training & conference expenses	**339,409**	282,951
Temporary agency employment and other expenses	**171,297**	75,634
	13,031,052	13,229,486

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

6. Cash and Cash Equivalents

	2025	2024
	$	$
Cash at bank	**7,415,613**	8,508,579
Term deposits	**37,159,259**	33,159,259
Bank guarantee deposit - Albatross Street	**188,260**	86,260
Bank guarantee deposit - Alice Springs	**45,000**	45,000
Bank guarantee deposit - Credit Card Limit	**100,000**	100,000
	44,908,132	41,899,098

7. Trade and Other Receivables

	2025	2024
	$	$
Trade and other receivables	**620,392**	605,202
Less: Expected credit losses provision	**(16,500)**	(31,653)
	603,892	573,549

All trade and other receivables balance are currently within accepted trading terms. Analysis of the ageing of Health Network NT's receivables are disclosed in Note 17.

Movement in expected credit losses is as follows:		
Balance at beginning of the year	**(31,653)**	(130,813)
Amounts written off	**-**	130,813
Recovery during the year	**25,108**	-
Expected credit losses provision during the year	**(9,955)**	(31,653)
Balance at end of the year	**(16,500)**	(31,653)

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

8. Other Current Assets

	2025	2024
	$	$
Accrued income	**201,665**	1,722,717
Other receivables	**5,237**	5,237
Other prepayments	**134,258**	514,439
	341,160	2,242,393

9. Property, Plant & Equipment

	Right-of-Use Assets	Total
	$	$
Cost		
Balance at 1 July 2023	1,982,434	1,982,434
Additions	-	-
Disposed/Remeasurement of leases	573,205	573,205
Balance at 30 June 2024	2,555,639	2,555,639
Balance at 1 July 2024	**2,555,639**	**2,555,639**
Additions	**166,883**	**166,883**
Disposed/Remeasurement of leases	**-**	**-**
Balance at 30 June 2025	**2,722,522**	**2,722,522**
Accumulated Depreciation		
Balance at 1 July 2023	(752,138)	(752,138)
Depreciation charge for the year	(393,389)	(393,389)
Remeasurement of leases	(616,436)	(616,436)
Balance at 30 June 2024	(1,761,963)	(1,761,963)
Balance at 1 July 2024	(1,761,963)	(1,761,963)
Depreciation charge for the year	**(431,909)**	**(431,909)**
Remeasurement of leases	**-**	**-**
Balance at 30 June 2025	**(2,193,873)**	**(2,193,873)**

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

	Right-of-Use Assets	Total
	$	$
Carrying amounts		
At 30 June 2024	793,676	793,676
At 30 June 2025	**528,649**	**528,649**

The addition of $166,883 to the right-of-use assets during the year relates to the recognition of a make good provision for the leased premises at 23 Albatross Street, Winnellie. In accordance with AASB 16 and AASB 137, the present value of expected restoration costs has been capitalised to the right-of-use asset and depreciated over the remaining lease term. Refer to Note 14 for further information on the make good liability.

10. Trade and Other Payables

	2025	2024
	$	$
Current		
Trade payables	**2,433,422**	3,424,501
Other current payables	**2,630,478**	4,274,328
Workforce candidate grants payable	**1,017,166**	999,649
Employee accruals	**369,437**	236,181
	6,450,503	8,934,659

11. Employee Benefits

	2025	2024
	$	$
Current		
Liability for annual leave	**1,127,733**	952,373
Liability for long service leave - current	**543,901**	399,447
	1,671,634	1,351,820
Non-current		
Liability for long service leave - non-current	**129,678**	184,748
	129,678	184,748
	1,801,312	1,536,568

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

12. Unearned Grants

	2025	2024
	$	$
Unearned grant income – current*	**34,116,462**	27,440,771
Unearned grant income – non-current	**-**	3,550,185
	34,116,462	30,990,956

Unearned grant income are monies received where the associated performance obligation to provide goods or services is yet to be satisfied. Unexpended grant income that is intended to be used beyond one year is recognised as non-current.

*Reconciliation of current unearned grants is as follows:

	2025	2024
	$	$
Funds to be returned	**251,052**	1,337,644
Funds received in the last 6 months	**4,246,228**	4,106,455
Remaining funds		
- Committed expenditure to meet future activity	**16,458,002**	11,699,171
- NT PHN managed uncommitted funds	**8,891,561**	5,695,852
- Bilateral uncommitted funds	**4,269,619**	4,601,647
Total Current Unearned Grant	**34,116,462**	27,440,771

13. Lease Liabilities

	2025	2024
	$	$
Lease liabilities - current	**408,611**	389,984
Lease liabilities – non-current	**95,131**	503,742
	503,742	893,726

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

The following table presents Other Lease transactions under leases for 2024-25:

	2025	2024
	$	$
Balance at 1 July	**893,726**	1,331,517
Additions / Remeasurement	**-**	(22,568)
Interest Expenses	**17,188**	26,053
Payments	**(407,172)**	(441,276)
Balance at 30 June	**503,742**	893,726

14. Provision for Make Good

	2025	2024
	$	$
Make good provision - current	**-**	-
Make good provision – non-current	**177,431**	-
	177,431	-

Movement in make good provision is as follows:	
Balance at beginning of the year	**-**
Additional provisions made	**191,556**
Amount used	**-**
Changes in the net present value	**(14,125)**
Balance at end of the year	**177,431**

The provision for make good relates to the leased premises at 23 Albatross Street, Winnellie and represents the estimated cost to restore the property to its original condition upon lease expiry in September 2026.

The provision was recognised in 2024 - 25 in accordance with AASB 137 and AASB 16. Refer to Note 2(d), Note 3, and Note 9 for further details.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

15. Related Party Transactions

The related parties of the Company include:

- the key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of the Company directly; and
- spouses, children and dependents who are close family members of the KMP; and
- any entities controlled or jointly controlled by KMPs or controlled or jointly controlled by their close family members.

Key Management Personnel

Key management personnel of the Company are those persons having authority and responsibility for planning, directing, and controlling the activities of Company. These include the Directors and Senior Executive Leadership Team as listed below.

Directors

The following Directors were in office during the financial year ended 30 June 2025:

- Mr John Rawnsley – Board Chair (retired 25 November 2024)
- Mr David Blair – Board Chair (from 25 November 2024) (previous Deputy Chair)
- Ms Susan Korner- Deputy Chair (from 25 November 2024)
- Ms Heather D'Antoine
- Dr Samuel Goodwin (retired on 25 November 2024)
- Ms Liza Houghton (first term ended on 25 November 2024)
- Ms Helen Bowden
- Ms Kylie Stothers (appointed on 25 November 2024)
- Ms Leeanne Caton (appointed on 25 November 2024)
- Prof Sean Taylor (appointed on 25 November 2024)
- Dr Simone Raye (appointed on 25 November 2024)

The following Directors retired at the Annual General meeting on 25 November 2024 or before the end of the financial year:

- Mr John Rawnsley
- Dr Samuel Goodwin

Ms. Liza Houghton's term as Director concluded at the AGM held on 25th November 2024

(i) Remuneration of Directors
During the year ended 30 June 2025, the total fees paid to Directors amounted to $224,810 (2024: $207,285).

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Annual Financial Report for the Year Ended 30 June 2025

(ii) Other Related Party Transactions

During the year, the Company commissioned the following transactions to service provider organisations for delivery of health services, on an arm's length basis, under normal terms and conditions. Directors of the Company may hold executive positions and/or Directorships in these organisations.

A portion of director's remuneration was paid to the University of Melbourne in respect of services provided by a Director, who is employed by the university. This transaction is disclosed under Other Related Party Transactions.

Related Party	Details	Received	Paid
		$	$
Aboriginal Medical Services Alliance Northern Territory Aboriginal Corporation	Health Services	50,000	1,810,727
Charles Darwin University	Australian Public University	-	644,974
Danila Dilba Biluru Butji Binnilutlum Health Service Limited trading as Danila Dilba Health Service	Health Services	673	4,943,370
Department of Health NT	Government Agency	4,633,330	6,019,021
Diabetes Association of the NT Inc trading as Healthy Living NT	Health Services	-	527,012
EKP Medical Pty Ltd trading as Pandanus Medical NT	Health Services	-	2,159
Flinders University	Australian Public University	-	93,686
Indigenous Allied Health Australia Ltd	Health Services	-	600,000
Jawoyn Association Aboriginal Corporation	Health Services	-	1,275,000
Menzies School of Health Research	Medical Research Institute	-	100,000
Red Lily Health Board (Aboriginal Corporation)	Health Services	165,026	720,863
St John Ambulance Australia (NT)	Health Services	-	46
The Royal Australian College of General Practitioners Ltd	Health Services	-	151,681
The Trustee for TFCMG Trust t/as Central Clinic Alice Springs	Health Services	-	26,798
Top End Pride (NT) Inc	LGBTIQ+ community support and wellbeing	-	4,000
University of Melbourne	Australian Public University	-	14,057

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

(iii) Outstanding Amounts
As at 30 June 2025, there are no outstanding amounts receivable from or payable to the Directors.
As at 30 June 2025, the following balances were outstanding between the Company and service provider organisations.

Related Party	Details	Amount owed by related parties	Amount owed to related parties
		$	$
Aboriginal Medical Services Alliance Northern Territory Aboriginal Corporation	Health Services	50,000	-
Department of Health NT	Government Agency	701	50,540
Diabetes Association of the NT Inc trading as Healthy Living NT	Health Services	-	6,600
EKP Medical Pty Ltd trading as Pandanus Medical NT	Health Services	-	909
Health Providers Alliance Northern Territory Incorporated	Health Education	16,500	-
Indigenous Allied Health Australia Ltd	Health Services	-	300,000
Red Lily Health Board (Aboriginal Corporation)	Health Services	1,533	-
The Trustee for TFCMG Trust t/as Central Clinic Alice Springs	Health Services	-	645

Senior Executive Leadership Team

Health Network NT's Senior Executive Leadership Team consists of the following positions as at 30 June 2025:

- *Chief Executive Officer*
- *Chief Financial Officer*
- *Executive Manager Corporate Services*
- *Executive Manager Aboriginal and Torres Strait Islander Health*
- *Executive Manager Strategy, Commissioning and Integration*
- *Executive Manager Health Workforce*

Total remuneration of $1,336,761 (2024: $1,405,690) was paid to the Senior Executive Leadership Team for the year ended 30 June 2025.

(i) Retirement Benefits
No retirement benefits have been made by the Company to key management personnel during the reporting year.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

(ii) Loans to Responsible Persons
During the reporting year, Health Network NT provided a short-term, interest-free advance of $5,000 to a member of key management personnel. The advance was fully repaid within the same period.

(iii) Other Transactions
No other transactions have been made by the Company to key management personnel during the reporting year.

(iv) Outstanding Amounts
As at 30 June 2025, there were no outstanding amounts receivable from Key Management Personnel.

16. Reconciliation of Cash Flows from Operating Activities

	2025	2024
	$	$
Cash flows from operating activities		
Net surplus/(deficit) for the period	**172,179**	154,092
Adjustments for:		
Depreciation	**431,909**	393,389
Interest expenses	**27,737**	-
Impairment Expenses	**-**	41,608
Expected Credit losses provision	**(15,153)**	(99,160)
Provision for Employee Benefits	**264,744**	247,042
	853,679	736,971
Changes in Assets and Liabilities:		
Change in trade and other receivables	**1,893,440**	(406,021)
Change in trade and other payables	**(2,484,156)**	2,954,088
Change in unexpended grant liability	**3,125,506**	3,529,270
Net Cash inflow generated from operating activities	**3,416,206**	6,814,308

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

17. Financial Instruments

Credit risk

Health Network NT does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the entity as most of its receivables are due from Australian Government departments.

Impairment losses

The ageing of Health Network NT's receivables at the reporting date was:

	Gross	**Expected credit losses**	Gross	Expected credit losses
	2025	**2025**	2024	2024
	$	$	$	$
Less than 30 days	**604,797**	**-**	597,635	15,153
31-60 days	**-**	**-**	2,557	-
Greater than 60 days	**15,595**	**16,500**	5,010	16,500
	620,392	**16,500**	605,202	31,653

All receivables, other than those provided with expected credit losses provisions, are collectible as at 30 June 2025.

Liquidity risk

Health Network NT manages liquidity risk by monitoring bank balances and monitoring grant payments as per grant schedules by ensuring the grant payments are made on time, and there are sufficient funds in the bank.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amounts	**Contractual Cash flow**	**6 months or less**
30 June 2025	**$**	**$**	**$**
Trade and other payables	**2,433,422**	**(2,433,422)**	**2,433,422**
Other current payables	**4,017,081**	**(4,017,081)**	**4,017,081**
	6,450,503	**(6,450,503)**	**6,450,503**

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

	Carrying amounts	Contractual Cash flow	6 months or less
30 June 2024	$	$	$
Trade and other payables	3,424,501	(3,424,501)	3,424,501
Other current payables	5,510,158	(5,510,158)	5,510,158
	8,934,659	(8,934,659)	8,934,659

Price risk

Health Network NT is not exposed to any material commodity risk.

Foreign currency risk

Health Network NT is not exposed to any material foreign currency risk.

Fair values

The carrying amount of receivables, cash at bank, and creditors approximate their fair value due to their short-term nature.

18. Members' Guarantee

This organisation operates under the Corporations Act 2001 and is a limited liability entity. In the event of dissolution, the constitution specifies that each member must pay a maximum contribution of $50 to cover any outstanding liabilities. As of June 30, 2025, the organisation had three members.

19. Auditor's Remuneration

Audit Services	**2025** **$**	2024 $
PKF Merit (formerly known as Merit Partners Pty Ltd)		
Audit and review of annual financial statements	**61,604**	40,052
Audit of Special Purpose Reports for Funding Acquittals	**23,206**	24,750
	84,810	64,802

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

20. Events Subsequent to Reporting Date

There are no events after the balance sheet date.

21. Contingent Liabilities and Contingent Assets

The Directors are not aware of any contingent assets and contingent liabilities that may become payable.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

Directors' Declaration

In the opinion of the directors of Health Network NT:

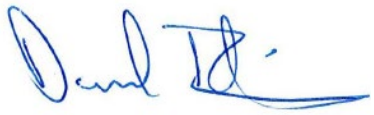
(a) the financial statements and notes, set out on pages 15 to 42, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations Act 2001*, including:

  (i) giving a true and fair view of Health Network NT's financial position as at 30 June 2025 and of its performance, for the financial year ended on that date; and

  (ii) complying with Australian Accounting Standards, the *Australian Charities and Not-for-profits Commission Regulations 2013* and the *Corporations Regulations 2001*; and

(b) there are reasonable grounds to believe that Health Network NT will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors:



Mr David Blair

Director and Chair, Health Network Northern Territory Ltd

Dated at Darwin this 29th day of October 2025.

Health Network Northern Territory Ltd gratefully acknowledge the financial and other support from the Australian Government Department of Health, Disability and Ageing.

PKF Merit Partnership
ABN 28 448 499 186

Level 2, 9 Cavenagh Street
Darwin NT 0800

PO Box 3470
Darwin NT 0801
Australia

+61 8 8982 1444
clientservices@pkfmerit.com.au
pkf.com.au

Auditor's Independence Declaration to the Directors of Health Network Northern Territory Ltd

In relation to our audit of the financial statements of Health Network Northern Territory Ltd for the financial year ended 30 June 2025, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and *Corporations Act 2001*; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

PKF Merit

MunLi Chee
Partner

DARWIN

29 October 2025

PKF Merit Partnership is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separately owned legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s). Liability limited by a scheme approved under Professional Standards Legislation.

PKF Merit Partnership
ABN 28 448 499 186

Level 2, 9 Cavenagh Street
Darwin NT 0800

PO Box 3470
Darwin NT 0801
Australia

+61 8 8982 1444
clientservices@pkfmerit.com.au
pkf.com.au

Independent audit report to members of Health Network Northern Territory Ltd

Report on the Audit of the Financial Report

We have audited the accompanying general purpose financial report of Health Network Northern Territory Ltd ("the Company"), which comprises the statement of financial position as at 30 June 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of material accounting policies, other explanatory notes, and the directors' declaration.

In our opinion, the financial report of Health Network Northern Territory Ltd is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations Act 2001*, including:

(a) giving a true and fair view of the financial position of Health Network Northern Territory Ltd at 30 June 2025 and of the Company's performance for the year ended on that date; and

(b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013* and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We are independent of the Company in accordance with the Australian Charities and Not-for-profits Commission Act 2012, the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the 'Code') that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The Responsibility of Management and Those Charged with Governance for the Financial Report

Management of the Company is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations Act 2001* and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

PKF Merit Partnership is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separately owned legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s). Liability limited by a scheme approved under Professional Standards Legislation.

Those charged with corporate governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PKF Merit

PKF Merit

MunLi Chee
Partner

DARWIN

29 October 2025